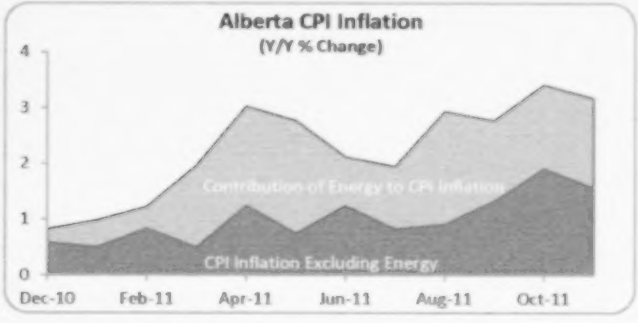
Consumer Price Index (CPI)

Alberta's inflation rate remains elevated ...

Alberta's CPI inflation was 3.2% year-over-year in November, down slightly from the 3.4% reading in October. Annual inflation was fuelled by 18.7% jump in energy prices, with gasoline and electricity prices up sharply. Alberta inflation has trended higher since early 2011, due primarily to the impact of energy prices. However, excluding volatile food and energy components, inflation was 1.5%, up from the 1.1% recorded in October.

Nationally, inflation was 2.9% in November, matching the rate in October while core CPI inflation rate came in at 2.1%. Both readings are within the Bank of Canada's inflation target band of 1-3%.



Average Weekly Earnings

Wages remain flat in Alberta ...

Despite wages remaining basically unchanged at $1049.31 in October, year-over-year wage growth continues to outpace inflation. In comparison to October 2010, wages advanced 4.5%. This implies that while consumer prices are increasing in the province, Alberta workers earned more than enough to offset the price increase. Albertans continue to have the highest earnings in the country by a wide margin.

By contrast, national average wages were $885.36, growing at 2.7% over last year, just below the national inflation reading of 2.9%, eroding real wages.

Trade

Retail sales continue to grow ...

Fuelled by population growth, strong job gains, and rising incomes Alberta retail sales exceeded their pre-recession peaks for the third straight month. In October, retail sales climbed 3.0%, the largest monthly gain this year. On a year-over-year basis, Alberta's retail sales were up a solid 10.4%. Auto sales and gasoline led the year-over-year growth.

Canadian Dollar (US¢/C$)		
1.8%	December 23, 2011	97.96
	December 16, 2011	96.26
	2011-12 Fiscal YTD Average	101.12
WTI Oil US$/bbl*		
6.4%	December 22, 2011	$99.53
	December 16, 2011	$93.53
	2011-12 Fiscal YTD Average	$95.18
Nymex Natural Gas US$/MMBtu*		
1.3%	December 22, 2011	$3.17
	December 16, 2011	$3.13
	2011-12 Fiscal YTD Average	*$3.82*

*Based on the closing price of the near month contract

Retail sales were also up nationally in October, increasing by 1.0%. All provinces recorded year-over-year gains, led by the resource provinces of Alberta, Saskatchewan and Newfoundland and Labrador. Canada's year-over-year growth in retail trade was 4.4%

Wholesale trade soars to new heights ...

After posting a new record in September, Alberta wholesale trade jumped 3.9% in October to a new highest value on record ($6.4 billion). Year-over-year growth came in at 17.1%.

Nationally, wholesalers saw activity grow 8.3% on a year-over-year basis. Saskatchewan led the country seeing year-over-year growth shoot up by 33.7%.

Population

Alberta population growth continues...

Alberta continues to be the destination of choice for inter-provincial and international migrants due to the strong labour market. In the third quarter of 2011, Alberta welcomed 3,136 net interprovincial migrants, which was the highest in the country. Immigration accounted for more than half of Alberta's quarterly population growth of 19,438 persons. As of October 1, 2011, Alberta's population was estimated at 3,798,791 up 1.7% from the third quarter of 2010 and more than the national increase of 1.0%.

Gross domestic product by industry

Canada's GDP remained unchanged in October

Following four consecutive monthly increases, Canadian real GDP was unchanged in October. Increases recorded in retail trade (0.6%), arts, entertainment and recreation (0.4%) and manufacturing (0.3%) were offset by Decreases were mainly in utilities (-1.5%), construction (-0.4) and surprisingly, mining and oil and gas extraction (-0.2%).

Current Economic Indicators

	2009	2010	2011YTD*	June	July	Aug	Sep	Oct	Nov
Population									
Population [1] (000's) (level)	3,672	3,721	3,779	--	3,779	--	--	3,799	--
% change	2.2	1.3	1.6	--	1.6	--	--	1.7	--
Net Interprovincial Migraton [1] (level)	13,184	-2,183	13,660	--	4,720	--	--	3,136	--
Net International Migration [1] (level)	16,835	21,533	14,093	--	8,313	--	--	7,580	--
Net Non-permanent Residents [1] (level)	19,162	-77	-7,988	--	1,233	--	--	2,295	--
Labour Market									
Employment (000's)	2,025	2,017	2,090	2,091	2,103	2,110	2,118	2,126	2,130
% change	-1.3	-0.4	3.7	3.5	3.8	4.2	4.8	4.3	4.8
Unemployment Rate (%)	6.6	6.5	5.5	5.6	5.5	5.6	5.4	5.1	5.0
Participation Rate (%)	74.3	72.9	73.6	73.7	73.9	74.1	74.2	74.1	74.1
Average Weekly Earnings ($)	950.01	993.13	1,036.43	1,038.46	1,026.42	1,044.26	1,050.15	1049.31	--
% change	2.8	4.5	4.7	4.7	2.6	4.3	4.5	4.5	--
Price Indices									
Consumer Price Index	-0.1	1.0	2.4	2.1	1.9	2.9	2.8	3.4	3.2
Excluding food and energy	1.4	0.8	0.8	0.2	0.4	0.8	1.4	1.1	1.5
Non-Res. Building Cons. Price Index [2]	-9.8	-0.1	3.1	--	--	--	--	--	--
Farm Product Price Index	-10.6	-3.9	16.4	16.5	15.5	10.8	12.7	--	--
Crops	-18.9	-14.5	17.6	22.6	21.2	7.4	8.0	--	--
Livestock	-2.8	5.7	16.6	14.1	13.8	15.4	14.6	--	--
Household Sector									
Housing Starts (SAAR, 000's)	20.0	27.1	25.0	23.7	25.6	31.2	24.3	32.0	28.7
% change	-31.6	33.5	-8.7	-11.6	-12.6	32.8	-12.0	23.6	32.3
New Housing Price Index	-9.0	0.5	0.4	0.3	0.1	0.2	0.0	0.7	--
Edmonton	-11.2	-0.8	0.9	1.2	1.1	0.9	0.6	1.1	--
Calgary	-6.7	1.7	-0.1	-0.3	-0.8	-0.5	-0.5	0.3	--
MLS Average Resale Prices ($ 000's)	340.5	350.9	355.7	351.7	353.6	356.9	362.4	358.3	360.4
% change	-3.1	3.1	0.8	-1.3	0.4	2.4	2	2.9	1.8
Edmonton	319.1	326.5	325.0	322.6	326.1	325.5	332.5	326.9	326.7
% change	-3.5	2.3	-1.3	-1.8	0.0	-1.3	1.5	0.6	-1.1
Calgary	384.3	397.4	402.2	399.3	399.2	405.7	408.5	402.1	402.2
% change	-4.2	3.4	0.7	-2.3	-0.9	3.6	-0.4	1.5	-0.2
Retail Sales	-8.3	6.0	6.9	7.8	6.9	7.2	8.0	10.4	--
New Motor Vehicle Sales	-21.7	9.3	8.9	17.0	7.0	5.7	5.5	20.0	--
Consumer Bankruptcies	9,986	8,150	4,929	649	534	595	--	--	--
% change	64.6	-18.4	-10.9	-16.6	-14.7	-3.3	--	--	--
Business Sector									
Rigs Drilling	128	207	276	150	240	323	346	335	330
% change	-45.6	61.3	42.2	26.9	20.8	45.4	95.5	28.7	19.4
Goods Exports (customs based)	-36.6	12.4	16.0	12.8	16.4	24.5	27.2	18.1	--
Energy	-40.2	17.2	17.1	11.9	19.2	25.2	27.3	21.9	--
Agriculture	-12.3	-14.4	9.1	-0.2	8.4	7.4	29.5	23.3	--
Total Farm Cash Receipts (quarterly)	-8.0	-3.9	15.4	--	15.0	--	--	--	--
Manufacturing Shipments	-23.7	11.0	17.2	16.4	16.8	18.1	22.5	15.0	--
Wholesale Trade	-15.9	10.8	14.6	18.3	15.9	14.2	12.5	17.1	--
Building Permits	-14.2	2.1	7.4	-14.9	17.4	39.4	29.6	13.2	--
Residential	-11.8	24.7	-0.3	-3.6	9.5	29.0	33.3	22.5	--
Non-residential	-16.3	-19.0	18.7	-26.1	30.3	53.0	24.6	0.9	--
Business Bankruptcies	405	378	174	16	15	26	--	--	--
% change	-9.4	-6.7	-32.3	-30.4	-44.4	-13.3	--	--	--

Government of Alberta ■
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Alberta

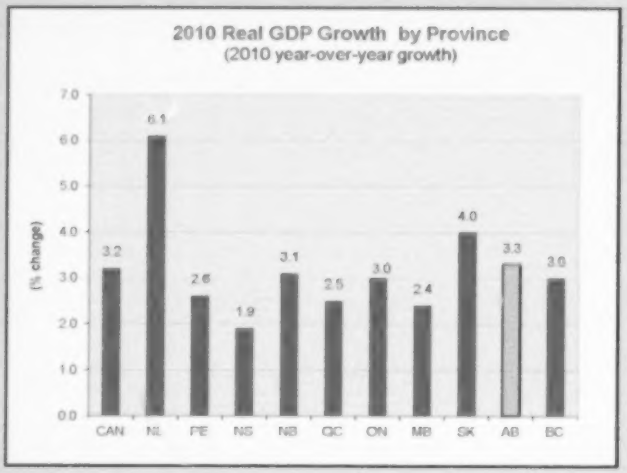
* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

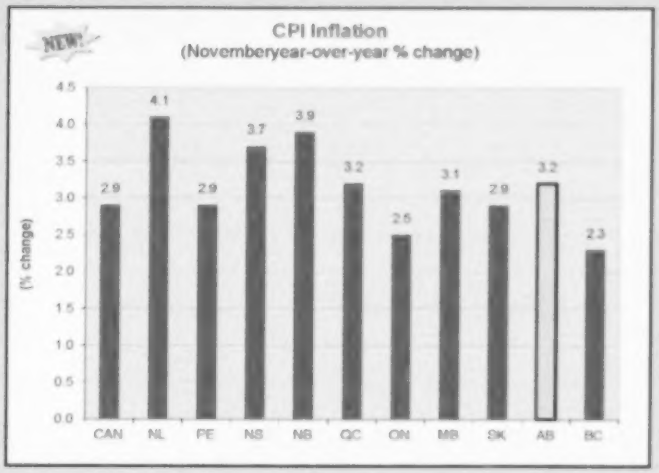
[1] Quarterly; annual numbers are presented on a census year basis (July 1–June 30).

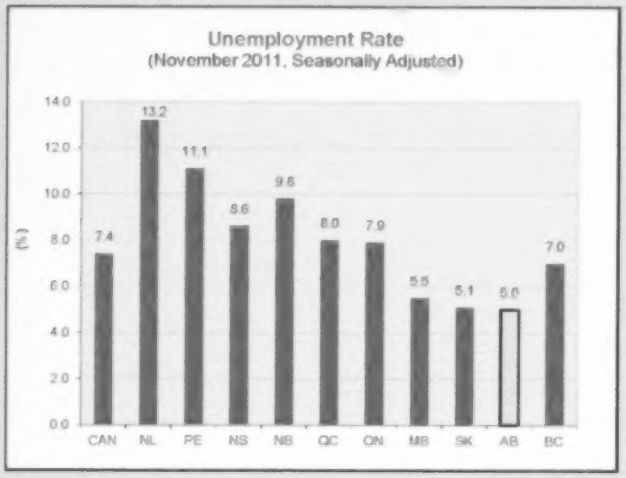
[2] Quarterly, average of Calgary and Edmonton

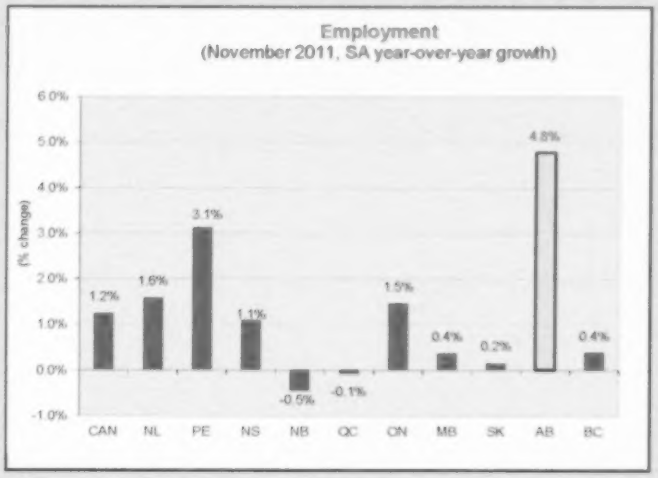
Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

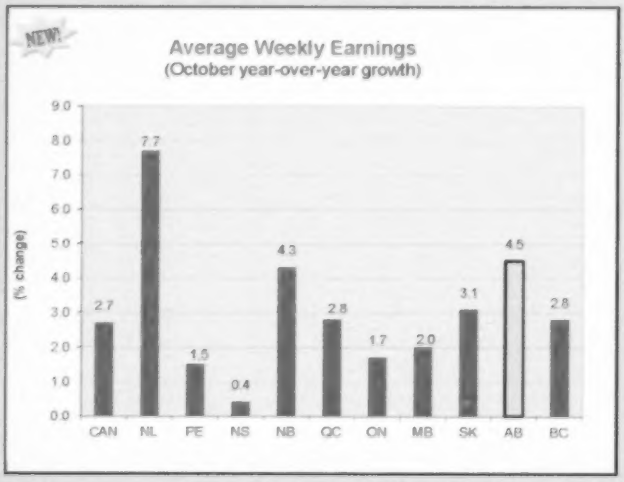
Current Economic Indicators by Province

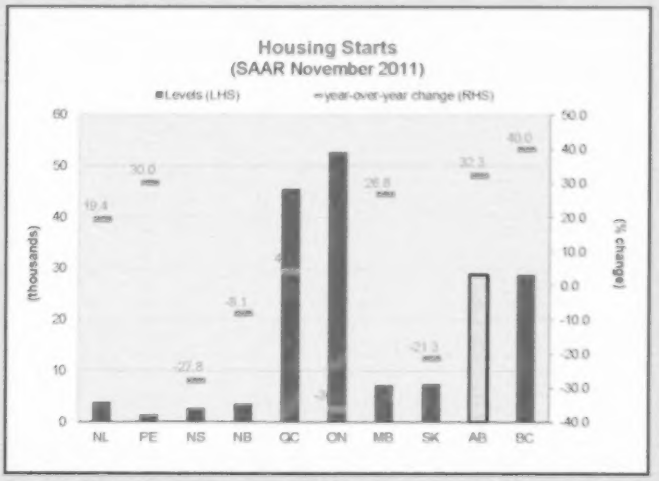












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